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FM AMEMBASSY FREETOWN  
TO RUEHC/SECSTATE WASHDC PRIORITY 0576  
INFO RUEHZK/ECOWAS COLLECTIVE  
RUEHOR/AMEMBASSY GABORONE 0025  
RUEHSA/AMEMBASSY PRETORIA 0334  
RUEHLU/AMEMBASSY LUANDA 0023  
RUEHWD/AMEMBASSY WINDHOEK 0025  
RUEHKE/AMEMBASSY KINSHASA 0063  
RUEHSA/AMCONSUL JOHANNESBURG 0025

C O N F I D E N T I A L SECTION 01 OF 02 FREETOWN 001007

SIPDIS

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DEPT FOR AF (THOMPSON), AF/W (OKEDIJI, CARTER, BUELOW), AND  
EB/ESC (SIMONS)

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TAGS: [PREL](#) [PGOV](#) [ECON](#) [EFIN](#) [EAID](#) [ETRD](#) [EMIN](#) [SL](#)

SUBJECT: MIXED REACTIONS TO BLOOD DIAMOND MOVIE IN SIERRA  
LEONE

Classified By: Ambassador Thomas N. Hull for reasons  
1.4 (b) and (d).

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SUMMARY  
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¶1. (SBU) Sierra Leonean reactions to the soon-to-be released Blood Diamond movie set in Sierra Leone are mixed. Due for release on December 8, the movie comes amidst an upsurge in public awareness about the conflict diamond trade and has drawn increasing attention to the African diamond mining industry. There is considerable angst amongst the international diamond industry over the impact of the movie, and the industry has responded in kind with its own publicity campaign. In comparison, GoSL officials' and citizens' reactions have been mild. Embassy officials raised possible blowback issues with stakeholders, including high-level government officials, and although GoSL officials appreciated the importance of the issue, their response was limited. Some have stated that they believe that the movie will not harm Sierra Leone's image. Sources in the Ministry of Mineral Resources claim that diamond exports are down, a possible indication of increased smuggling, and say that serious problems remain as unlicensed diamond mining continues to thrive. END SUMMARY.

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MILD REACTIONS FROM GOSL  
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¶2. (SBU) In recent discussions with GoSL officials, most have expressed mild reactions to the movie's upcoming release. None, to the best of post's knowledge, has seen the movie, although some may have seen a synopsis of the script. However, some officials have stated that they do not believe that the movie will damage Sierra Leone's image. Ambassador Umaru Wurie, Director General in the Ministry of Foreign Affairs and International Cooperation, told PolOff that the movie would not adversely affect Sierra Leone, and that the government had even granted Warner Bros. studios permission to use the Sierra Leonean national anthem in the movie.

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MONITORING PROBLEMS AND SMUGGLING ARE ONGOING  
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¶3. (C) The strongest reaction came from Permanent Secretary George Pessima (strictly protect) in the Ministry of Mineral

Resources, who told PolOff that from what he had heard about the movie, he thought that the movie was unfair and not constructive for Sierra Leone, which continues to struggle to recover from the devastation of war. He said that for instance, diamonds mined in Kono district, a prominent mining district in the east of the country, could have economically transformed the country, but instead primarily benefited outsiders.

¶4. (C) Pessima said that diamond exports were down by 15 percent. He was skeptical of larger diamond mining companies operating in Sierra Leone that report finding only smaller diamonds. He said that these companies continue to be ineffectively monitored. During a November 17 visit to Koidu in the Kono district, PolOff and AF/W Desk Officer were told by both mine operators and ministry officials that the Ministry of Mineral Resources did not have enough mine monitors to effectively police mining operations. Originally from Kono, Pessima doubted that fields were being "worked" out and inferred that larger and more valuable stones continue to be smuggled out of the country.

¶5. (C) Pessima also noted that of the 12 major diamond mining companies in Sierra Leone, only six had renewed their mining licenses this year. He said that it was highly probable that the six companies that did not renew their licenses are continuing operations illegally and that President Kabbah and Vice President Berewa are cognizant of this situation.

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DIAMOND INDUSTRY PASSES ON GOSL SUPPORT FOR CAMPAIGN  
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¶6. (SBU) Representatives from De Beers and the World Diamond Council visited Sierra Leone in October and told post that they were concerned about the possible fallout from the movie. De Beers representatives told the Ambassador that when President Kabbah told them that diamonds had done nothing good for Sierra Leone, they decided not to ask him to be a spokesperson for diamonds as Nelson Mandela and Botswana's President Festus Mogae had agreed to be.

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MINING COMPANIES COMING UNDER INCREASED CRITICISM  
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¶7. (U) Mining companies are coming under increasing criticism from both GoSL officials and citizens who question mining companies' commitment to local development. Residents in Koidu in the eastern district of Kono have feuded with Koidu Holdings (KH), a South African-controlled company that runs the country's only industrial-scale kimberlite diamond venture. Koidu Holdings began operations in 2003 and started weekly blastings that required residents to evacuate nearby houses. Koidu Holdings negotiated an agreement to resettle residents in housing constructed by KH, but residents have been unhappy with weekly evacuations and the pace and style of construction.

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USAID PROGRAM DIAMOND SECTOR INITIATIVE FOSTERS REFORM  
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¶8. (U) Post's USAID-sponsored diamond sector initiative has played a mediating role in the KH dispute, and is providing assistance to diminish the role of diamonds as a source of domestic and regional instability by decreasing illicit mining and trading. The program also is helping to increase diamond proceeds to benefit local diamond-producing communities.

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WEAK JUDICIARY PART OF CORRUPTION  
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¶9. (U) The Sierra Leonean judiciary continues to lack capacity to effectively charge, prosecute, and convict diamond-traffickers. A December 6 news article in the independent newspaper Standard Times reported that on December 1, a magistrate court acquitted the son of Minister of Mineral Resources Mohamed Swarray Dean on five counts under the Anti-Money Laundering Act of 2005 of possession of illicit diamonds and foreign currency. Alpha Deen and his business partner were being held on suspicion of diamond-trafficking, but the presiding magistrate said that they had been wrongly charged and ordered that the diamonds and \$120,000 be returned to Mr. Dean and his associate.

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COMMENT  
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¶10. (C) Many challenges remain for the artisanal mining industry in Sierra Leone and much remains to be done to increase the amount of diamonds going through proper channels as accorded by the KP certification process. In particular, the GoSL continues to lack the capacity to effectively monitor and regulate the diamond mining sector as indicated by continuing high levels of illicit diamond trading. Currently, there is no evidence to suggest that diamonds mined in Sierra Leone are being used to destabilize the current peace. The Ambassador, who has seen the film, warned fellow members of the High Level Steering Committee for Diamond Sector Reform (including the Ministers of Finance, Mineral Resources, and Local Government) that the movie's long-lasting damage to Sierra Leone's image might be greater than to the diamond industry. They were unconcerned, apparently believing that the disclaimer at the end of the movie ("Sierra Leone is at peace") would offset the graphic violence throughout the film. END COMMENT.  
HULL